

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 93-0001 CSET

**CONTROLLED SUBSTANCE EXCISE TAX
FOR TAX PERIODS: 1992**

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ISSUE

1. CONTROLLED SUBSTANCE EXCISE TAX: IMPOSITION

Authority: IC 6-7-3-5

Taxpayer protests the assessment of Controlled Substance Excise Tax.

STATEMENT OF FACTS

Taxpayers were arrested for possession of marijuana. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on December 1, 1992 in a base tax amount of \$27,724.00.

Taxpayer filed a protest to the assessment. A hearing on the protest was scheduled for 10:00 a.m. on February 21, 2000. Taxpayers were notified of the hearing at their last known address. Taxpayers did not appear for the hearing. Further facts will be provided as necessary.

Controlled Substance Excise Tax-Imposition

Discussion

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana in the State of Indiana. Taxpayers have the burden of proving that the assessment is incorrect. Since Taxpayers did not appear at the hearing or offer any written information in lieu of a hearing, the Department must rely on the contents of the file in making a decision on the matter. Therefore, the tax properly applies to Taxpayers in this situation.

Finding

Taxpayers' protest is denied.